



Billing Code 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal No. 16-04)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Sarah A. Ragan or Heather N. Harwell, DSCA/LMO, (703) 604-1546/ (703) 607-5339.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 16-04 with attached Policy Justification and Sensitivity of Technology.

Dated: March 1, 2016.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

The Honorable Paul D. Ryan
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

FEB 23 2016

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 16-04, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to the United Arab Emirates for defense articles and services estimated to cost \$225 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology
4. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 16-04

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: United Arab Emirates

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 82.664 million
Other	<u>\$142.336 million</u>
TOTAL	\$225.000 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: The UAE requested a possible sale of eight (8) AN/AAQ-24(V)N Large Aircraft Infrared Countermeasures (LAIRCM) Systems to protect the UAE's C-17 aircraft. Each C-17 aircraft configuration for the LAIRCM system consists of three (3) Guardian Laser Transmitter Assemblies (GLTA), six (6) Ultra-Violet Missile Warning System (UVMWS) Sensors AN/AAR-54, one (1) Control Indicator Unit Replacement (CIUR) and one (1) LAIRCM System Processor Replacement LSPR.

Major Defense Equipment (MDE):

Twenty-four (24) AN/AAQ-24 (V)N Guardian Laser Transmitter Assemblies (GLTA) and thirteen (13) spares
Eight (8) AN/AAQ-24 (V)N LAIRCM System Processor Replacement (LSPR) and eleven (11) spares
Forty-eight (48) AN/AAR-54 Ultra-Violet Missile Warning System (UVMWS) Sensors and twenty-six (26) spares

Non-MDE items include: Control Indicator Unit Replacement (CIUR), Smart Card Assemblies (SCA), High Capacity Cards (HCC), User Data Modules (UDM), Repeaters, COMSEC Key Loaders, initial spares, consumables, support equipment, technical data, repair and return support, engineering design, Group A and Group B installation, flight test and certification, warranties, contractor provided familiarization and training, U.S. Government (USG) manpower and services, and Field Service Representatives (FSR). The total estimated program cost is \$225 million.

(iv) Military Department: Air Force (AE-D-QAI)

(v) Prior Related Cases, if any: FMS Case: AE-D-QAC-17 December 09-\$501M, 26 May 10-\$250M, 31 July 12-\$35M, 28 July 15-\$335M. AE-D-QAH-28 July 15-\$335M

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: 23 February 2016

* as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

United Arab Emirates-AN/AAQ-24(V)N Large Aircraft Infrared Countermeasures (LAIRCM)

The United Arab Emirates (UAE) requested a possible sale of eight (8) AN/AAQ-24 (V)N LAIRCM for the UAE's C-17 aircraft. Each C-17 aircraft configuration for the LAIRCM system consists of the following major defense equipment (MDE): three (3) Guardian Laser Transmitter Assemblies (GLTA), six (6) Ultra-Violet Missile Warning System (UVMWS) Sensors AN/AAR-54, one (1) LAIRCM System Processor Replacement (LSPR). The sale includes spares bringing the MDE total to thirty-seven (37) GLTA AN/AAQ-24 (V)Ns, nineteen (19) LSPR AN/AAQ-24 (V)Ns, and seventy-four (74) UVMWS Sensors AN/AAR-54. The sale also includes the following non-MDE items: Control Indicator Unit Replacements (CIUR), Smart Card Assemblies (SCA), High Capacity Cards (HCC), User Data Modules (UDM), Repeaters, COMSEC Key Loaders, initial spares, consumables, support equipment, technical data, repair and return support, engineering design, Group A and Group B installation, flight test and certification, U.S. Government manpower and services, and Field Service Representatives (FSR). The total estimated value of MDE is \$82.664 million. The total estimated program cost is \$225 million.

This proposed sale enhances the foreign policy and national security of the United States by improving the security of a partner country, which has been, and continues to be, an important force for political stability and economic progress in the Middle East.

The proposed purchase of LAIRCM to provide for the protection of UAE's C-17 fleet enhances the safety of UAE airlift aircraft engaging in humanitarian and resupply missions. LAIRCM facilitates a more robust capability into areas of increased missile threats. The UAE will have no problem absorbing and using the AN/AAQ-24 (V)N LAIRCM system.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractor will be The Boeing Company, Chicago, Illinois. The main sub-contractor is Northrop Grumman Corporation of Rolling Meadows, Illinois. There are no known offset agreements proposed in connection with this potential sale.

This sale includes provisions for one (1) FSR to live in the UAE for up to two (2) years. Implementation of this proposed sale requires multiple temporary trips to the UAE involving U.S. Government or contractor representatives over a period of up to six (6) years for program execution, delivery, technical support, and training.

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Annex Item No. vii

(vii) Sensitivity of Technology

1. The AN/AAQ-24(V)N Large Aircraft Infrared Countermeasures (LAIRCM) is a self-contained, directed energy countermeasures system designed to protect aircraft from infrared-guided surface-to-air missiles. The system features digital technology and micro-miniature solid-state electronics. The system operates in all conditions, detecting incoming missiles and jamming infrared-seeker equipped missiles with aimed bursts of laser energy. The LAIRCM system consists of multiple Ultra-Violet Missile Warning System (UVMWS) Sensor units, Guardian Laser Transmitter Assemblies (GLTA), LAIRCM System Processor Replacement (LSPR), Control Indicator Unit Replacement (CIUR), and a classified High Capacity Card (HCC), and User Data Modules (UDM). The HCC card is loaded into the CIUR prior to flight. When the classified HCC card is not in use, it is removed from the CIUR and put in secure storage. LAIRCM Line Replaceable Units (LRU) hardware is classified SECRET when the classified HCC is inserted into the CIUR. LAIRCM system software, including Operational Flight Program, is classified SECRET. Technical data and documentation to be provided are UNCLASSIFIED.

a. The set of UVMWS Sensor units (AN/AAR-54) are mounted on the aircraft exterior to provide omni-directional protection. The UVMWS Sensors detect the rocket plume of missiles and sends appropriate data signals to the LSPR for processing. The LSPR analyzes the data from each UVMWS Sensors and automatically deploys the appropriate countermeasures via the GLTA. The CIUR displays the incoming threat.

b. The AN/AAR-54 UVMWS Sensor warns of threat missile approach by detecting radiation associated with the rocket motor. The AN/AAR-54 is a small, lightweight, passive, electro-optic, threat warning device used to detect surface-to-air missiles fired at helicopters and low-flying fixed-wing aircraft and automatically provide countermeasures, as well as audio and visual warning messages to the aircrew. The basic system consists of multiple UVMWS Sensor units, three GLTAs, a LSPR and a CIUR. The set of UVMWS units (each C-17 has six (6)) are mounted on the aircraft exterior to provide omni-directional protection. Hardware is UNCLASSIFIED. Software is SECRET. Technical data and documentation to be provided are UNCLASSIFIED.

2. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification. Moreover, the benefits derived from this sale, as outlined in the Policy Justification, outweigh the potential damage that could result if the sensitive technology were revealed to unauthorized persons.

3. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures or equivalent systems which might reduce system effectiveness or be used in the development of a system with similar or advanced capabilities.

4. All defense articles and services listed in this transmittal have been authorized for release and export to the United Arab Emirates.

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